Andrew H. Wilson 11 WILSON, RYAN & CAMPILONGO 235 Montgomery Street Suite 450 San Francisco, California 94104 31 (415) 391-3900 4 Laurie J. Bartilson RECEIVED 5 BOWLES & MOXON 6255 Sunset Boulevard 61 Suite 2000 APR 3 0 1992 Hollywood, California 90028 71 (213) 661-4030 **HUB LAW OFFICES** 81 Attorneys for Plaintiff CHURCH OF SCIENTOLOGY INTERNATIONAL 91 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 FOR THE COUNTY OF LOS ANGELES 11 Case No. BC 052395 12 CHURCH OF SCIENTOLOGY INTERNATIONAL, a California OPPOSITION TO DEFENDANTS' 13 not-for-profit religious EX PARTE APPLICATION TO corporation; ABATE OR CONTINUE HEARING 141 ON PLAINTIFF'S MOTION FOR Plaintiff, PRELIMINARY INJUNCTION 15 VS. Date: April 27, 1992 16 Time: 1:30 p.m. GERALD ARMSTRONG; DOES 1 Dept: 85 17 through 25, inclusive, No Trial Date No Discovery Cut-off 181 No Motion Cut-off Defendants. 19 I. 20 INTRODUCTION 21 This is an action for breach of contract and injunctive 221 relief stemming from deliberate breaches by defendant Gerald 23| Armstrong ("Armstrong") of a settlement agreement ("the 24 Agreement") which he entered into with plaintiff Church of Scientology International ("plaintiff") in 1986. Originally 26 filed in Marin County, where Armstrong resides, in February, 27

1992, the case was ordered transferred to Los Angeles on March

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24, 1992.

Armstrong's belated <u>ex parte</u> application to this Court is simply the latest in a series of procedural maneuvers undertaken by Armstrong to delay the inevitable entry of preliminary injunction against him for flagrant and repeated breaches of a Settlement Agreement which he entered into with plaintiff Church of Scientology International ("the Church" or "plaintiff") in 1986. Plaintiff has attempted to obtain a hearing on its motion for preliminary injunction since this action was filed on February 4, 1992. Having no substantive defense to the motion, Armstrong has countered by seeking delay after delay in the following manner:

- \* Plaintiff's motion was initially set for hearing in Marin County Superior Court on March 6, 1992. On February 27, 1992, Armstrong brought an ex parte application before the Honorable Judge Stevens to continue the hearing on the motion, arguing that he needed more time to prepare his opposition.

  Armstrong's motion was denied when the Court insisted that Armstrong stipulate to the entry of a Temporary Restraining Order if the hearing were to be continued.
- \* On February 28, 1992, Armstrong brought a second ex parte application to continue the hearing.

  Concurrently, he filed a pre-emptory challenge of Judge Stevens. Judge Stevens, accordingly, did not rule on Armstrong's application, but referred the matter to the Honorable Michael Dufficy.
  - \* On March 3, 1992, Judge Dufficy granted

Armstrong's motion for a continuance, but entered a Temporary Restraining Order according to the terms of the Injunction which plaintiff seeks.

- \* On March 5, 1992, Armstrong filed a Motion to Transfer Case, arguing for the first time that jurisdiction was not proper in his home county of Marin. Armstrong argued that plaintiff should have brought the action in Los Angeles.
- \* On March 24, 1992, Armstrong prevailed on his motion to transfer the case, and Judge Dufficy ordered that the case be transferred to Los Angeles. However, Judge Dufficy also heard substantial argument on the merits of the injunctive relief which plaintiff seeks, and continued the Temporary Restraining Order in full force and effect until and including May 4, 1992, expressly to permit plaintiff to seek and obtain a preliminary injunction from this Court.
- \* The file in this matter arrived in Los Angeles and was assigned a case number on April 13, 1992. That very day, plaintiff re-noticed its motion for preliminary injunction for hearing by this Court on April 28, 1992, and so notified Armstrong. [Ex. A] No new briefing was required as the matter had already been fully briefed in Marin County.
- \* After a delay of 2 days, Armstrong filed a meritless "notice" with Department 1, seeking to have this case transferred to another department. [Ex. B]

  In his notice, Armstrong asserts that the case should

be transferred because it is "related" to a case that was tried, settled and dismissed in 1986. The judge currently sitting in the department to which Armstrong seeks transfer is not even the same judge who tried the earlier case. [See Ex. C, plaintiff's Amended Response to Notice of Improper Filing]

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It is on the basis of this meritless request made to Department 1 that Armstrong, on the day before plaintiff's motion in set for hearing, now asks this Court ex parte to delay yet again hearing on plaintiff's motion for preliminary injunction.

II.

# ARMSTRONG HAS SHOWN NO GOOD CAUSE FOR EX PARTE RELIEF

In order to obtain ex parte relief from this Court,

Armstrong must demonstrate that there is "good cause" to grant
him the relief which he seeks. Law and Discovery Policy Manual
for Los Angeles Co., para. 163 (1991). The only "cause" which
Armstrong asserts, however, is that he would like to have this
motion heard by a different judge. However, as demonstrated in
plaintiff's Amended Response to Notice of Improper Filing, Ex. C
hereto, which is incorporated herein by reference, Armstrong's
attempt to manipulate the assignment of this case to another

Plaintiff's counsel received notice of this hearing by a telephone call from Armstrong's lawyer's secretary on Friday, April 24, 1992. [Ex. D, Declaration of Laurie J. Bartilson; Ex. E, Declaration of Andrew H. Wilson] The secretary told Ms. Bartilson that Armstrong's ex parte papers were ready, and that she would fax them to Ms. Bartilson. [Id.] No papers were ever sent or received, however, and this opposition was necessarily prepared based simply on the bare notification by Mr. Morantz's secretary. [Id.]

Geernaert is already familiar with the arguments raised by plaintiff's motion for preliminary injunction is belied by the record of the proceedings before Judge Geernaert. [Ex. C, pp. 7-8] In fact, the only jurist who is familiar with the facts and arguments presented by the motion for preliminary injunction is Judge Dufficy of Marin, who granted plaintiff a temporary restraining order to protect plaintiff's rights while enduring Armstrong's pointless transfer of the case to this Court.

Moreover, Armstrong has not demonstrated, and cannot demonstrate, that he will be prejudiced in any way by having this court hear and decide plaintiff's motion for preliminary injunction. This is the first motion to be filed or heard in the case. As the case was assigned to Department 30, it is not even scheduled to be heard by the judge who will ultimately try the case, but by a judge experienced in hearing and deciding motions for preliminary injunctive relief in a wide variety of matters. Armstrong is not entitled to any guarantee that a particular judge will hear a motion in his case, nor can he yet again issue a peremptory challenge to a jurist assigned to this case. The sole purpose of Armstrong's application here is delay. Plaintiff has waited patiently for hearing on its underlying and meritorious motion since February, 1992, and while Armstrong has manipulated the two previous judges off the case. There is no "good cause" to allow Armstrong's motion.

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# PLAINTIFF WOULD BE SEVERELY PREJUDICED BY FURTHER DELAY IN THE HEARING OF THEIR MOTION FOR PRELIMINARY INJUNCTION

As demonstrated above, plaintiff has been seeking a hearing on its motion since February, 1992. The strength of that motion is such that Judge Dufficy, repeatedly and sua sponte, entered a temporary restraining order to preserve plaintiff's rights until the motion could be fully heard. By requesting a delay in the proceedings now, and a delay of indeterminate length, Armstrong seeks to avoid a determination on the merits, and to have the TRO run out while plaintiff still awaits a hearing. Such a result would manifestly prejudice plaintiff, who would have no protection while Armstrong brazenly and confidently continues to breach his Agreement while retaining all of the proceeds which plaintiff paid to him.

Moreover, plaintiff has already documented multiple instances of Armstrong's covert and deliberate breach of the restraining order now in effect. Plaintiff attempted to have these matters heard on a motion for an OSC re contempt, but were informed by the Marin Court that it would hear no further motions, since the matter was being transferred to Los Angeles. Armstrong would, by this motion, abate the case and all of plaintiff's meritorious claims for relief while the Court waits for an order that may or may not issue from Department 1. The injustice of such a delay is readily apparent, particularly with the restraining order scheduled to end on May-4, 1992.—Armstrong should not be permitted to manipulate the processes of the court

so as to effectively slam its doors in plaintiff's face.

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IV.

## ARMSTRONG'S APPLICATION IS UNTIMELY

Plaintiff provided Armstrong with fifteen days notice of the hearing on its motion, scheduled for tomorrow. Armstrong was aware at least from that date that the hearing was scheduled to take place in this department. Further, Armstrong filed his "Notice of Improper Filing" on April 17, 1992. Nonetheless, Armstrong made no effort to bring this ex parte application until the day before the scheduled hearing. Moreover, Armstrong made no effort whatsoever to contact plaintiff's counsel and meet and confer as to a resolution of the ex parte application. Footnote 1, supra; plaintiff's counsel was informed of the planned ex parte by Mr. Morantz's secretary, Mr. Morantz himself making no effort to discuss with plaintiff's counsel a possible resolution of his application short of bothering the Court.] Indeed, this application was deliberately brought by Armstrong on the last possible day before the hearing for one reason and one reason only: further delay. Armstrong is plainly hoping with this action to obtain for himself a "window" in which the restraining order is no longer applicable, and in which plaintiff's motion for preliminary injunction is yet to be heard.

This conduct is expressly forbidden by this Court's Law and Discovery Policy Manual, para. 163, which provides in relevant part that a "request to continue or take the matter off calendar must be presented to the Clerk in the Department where the matter is to be heard no later than 4:30 p.m. of the third court day preceding the hearing."

Armstrong's <u>ex parte</u> application should be denied on this basis alone.

V.

#### CONCLUSION

Armstrong's application is untimely, meritless, and brought for the sole purpose of delaying his time of reckoning before the Court. It is the latest in a series of delaying, maneuvering tactics that have bounced this cause from courtroom to courtroom, and even from courthouse to courthouse. This Court should end Armstrong's machination, deny his motion, and hear plaintiff's motion for preliminary injunction, as scheduled, tomorrow at 10:00 a.m.

DATED: April 27, 1992

Respectfully submitted,

Andrew H. Wilson WILSON, RYAN & CAMPILONGO

BOWLES & MOXON

By Course J. Bartilson

Attorneys for Plaintiff CHURCH OF SCIENTOLOGY

INTERNATIONAL

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28 H:\ARMSTRON\EXPARTE.1

Andrew H. Wilson 11 WILSON, RYAN, BLUM & CAMPILONGO 235 Montgomery Street 21 Suite 450 ORIGINAL FILED San Francisco, California 94104 31 (415) 391-3900 APR 1 4 1992 4 Laurie J. Bartilson 51 BOWLES & MOXON 6255 Sunset Boulevard Suite 2000 Hollywood, California 90028 (213) 661-4030 81 Attorneys for Plaintiff CHURCH OF SCIENTOLOGY INTERNATIONAL 91 101 SUPERIOR COURT OF THE STATE OF CALIFORNIA 111 FOR THE COUNTY OF LOS ANGELES 121 ) Case No. BC 052395 CHURCH OF SCIENTOLOGY OF ) (Marin County Superior Court INTERNATIONAL, a California 131 ) Case No. 152229) not-for-profit religious 14 corporation; RENEWED NOTICE OF MOTION AND AND MOTION FOR PRELIMINARY 15 INJUNCTION Plaintiff, 16 VS. ) DATE: April 28, 1992 171 ) TIME: 8:30 a.m. GERALD ARMSTRONG and DOES 1 DEPT: 85 through 25, inclusive, 181 NO TRIAL DATE SET 191 NO DISCOVERY CUT OFF Defendants. NO MOTION CUT OFF 201 TO DEFENDANTS AND THEIR COUNSEL OF RECORD: 21 PLEASE TAKE NOTICE that on April 28, 1992 at 8:30 a.m., or 221 as soon thereafter as the matter may be heard, in Department 85 of the above-entitled Court, plaintiff Church of Scientology 25 International (the "Church") by this renewed Motion will seek an Order converting the temporary restraining order entered in this 27 case, prior to its transfer to Los Angeles Superior Court, by the

28 Honorable Michael B. Dufficy, into a preliminary injunction,

enjoining defendants Gerald Armstrong ("Armstrong") and all others acting in concert or participation therewith, or any of them, from violating any and all provisions of the settlement agreement entered into by the Church and Armstrong in December of 1986, a true and correct copy of which is attached hereto as Exhibit A, pending resolution of this action.

This action was originally filed in Marin County,
California, where Armstrong resides. This instant motion was set
to be heard on March 20, 1992. However, on Armstrong's motion,
on March 20, 1992, Judge Dufficy ordered the case transferred to
this Court, and continued the hearing on plaintiff's pending and
fully briefed Motion for Preliminary Injunction so that it could
be heard before this Court. At the same time, Judge Dufficy
continued a Temporary Restraining Order which he had previously
entered, in force and effect until and including May 4, 1992, so
as to permit the Church to bring this renewed motion.

The relief sought by this renewed Motion is based upon this renewed Motion itself; plaintiff's Complaint; the Memorandum of Points and Authorities and Evidence in support of the Motion for Preliminary Injunction previously submitted to the Marin County Superior Court on February 4, 1992; Plaintiff's Reply to Defendant's Opposition to Plaintiff's Motion for Preliminary Injunction, previously submitted to the Marin County Superior

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1	Court on March 19, 1992; the pleadings, records and other papers
1	on file in this matter; and such other evidence as the Court may
2	receive upon the hearing of this Motion.
3!	a 11beithad
4	Dated: April 13, 1992 Respectfully Submitted, Andrew H. Wilson
5	WILSON, RYAN, BLUM & CAMPILONGO
6	BOWLES & MOXON
7	DOM HES & HONON
81	By:
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10	Attorneys for Plaintiff CHURCH OF SCIENTOLOGY
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Andrew H. Wilson WILSON, PYAN & CAMPILONGO 235 Montguesty Street Suite 456 San Francisco, California 94104 (415) 391-3900

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FILED

MAR 24 1992

HOWARD HANSON MARIN COUNTY CLERK By & Cooper, Deputy

Laurie J. Bartilson
BOWLES & MOXON
6255 Sunset Boulevard
Suits 2000
Hollywood, California 90028
(213) 661-4030

Attorneys for Plaintiff CHURCH OF SCIENTOLOGY INTERNATIONAL

## SUPERIOR COURT OF THE STATE OF CALIFORNIA

#### FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY
INTERNATIONAL, a California
not-for-profit religious
corporation;

Plaintiff,

ATSTUCTIT

VS.

GERALD ARMSTRONG; DOES 1 through 25, inclusive,

Defendants.

Case No. 152229

ORDER RE DEFENDANT'S MOTION TO DISMISS OR STAY OR TRANSPER TO LOS ANGELES SUPERIOR COURT

Defendant's motion for a change of venue was heard on March 20, 1992 at 9:00 a.m. in the above-entitled Court. Plaintiff was represented by Wilson, Ryan and Campilongo, Andrew H. Wilson appearing, and by Bowles and Moxon, Laurie J. Bartilson appearing. Defendant was represented by Ford Greene.

Whereas, the Honorable Bruce R. Geernaert of the Los Angeles Superior Court, having replaced Paul G. Brackenridge, Jr., in Church of Scientology of California v. Gerald Armstrong, Los Angeles Superior Court Case No. C 420 153, narrowly ruled on December 23,

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1991 that pursuant to Code of Civil Procedure sections 127(a)(4) and 664.4 he did not have jurisdiction to enforce the Mutual Release of All Claims and Settlement Agreement executed December 6, 1986; and

Whereas, Paragraph 20 of said Agreement is nevertheless effective as a forum selection clause which this court may enforce under Smith v. Superior Court (1986); and

Having reviewed the written arguments and evidence submitted by the parties, and having heard the arguments of counsel,

It is therefore ORDERED as follows:

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- 1. Defendant's motion to transfer the file in Marin County Superior Court Case No. 152229 is GRANTED.
- transferred to James H. Dempsey, Executive Officer and Clerk of the superior court of Los Angeles, 111 North Spring Street, Los Angeles, California, 90012 immediately after the expiration of twenty (20) days of the date of this Order as required by Code of Civil Procedure sections 399 and 400, the parties hereto waiving the written notice required by Code of Civil Procedure Section 400.
- b. It is FURTHER ORDERED that pursuant to Code of Civil Procedura section 399 Plaintiff shall pay the costs of transfer of the file to Los Angeles Superior Court.
- jurisdiction to determine, upon noticed motion, whether Defendant should be awarded fees and costs in connection with the bringing of the Motion to Transfer and to enforce, if necessary, Paragraphs 2.b. through f. until the earlier of May 4, 1992 or the date a preliminary injunction motion is appealed or denied in the Los Angeles Superior Court.

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- a. Armstrong is restrained from violating Paragraph 7(d) which prohibits Armstrong from creating or publishing books or magazine articles, disclosing his experiences with Scientology, and any knowledge or information he may have concerning the Church of Scientology, L. Ron Rubbard, or any of the organizations listed in Paragraph 1 of the Agreement ("Scientology organizations") affiliated therewith, disclosing documents identified in Exhibit A to the Settlement Agreement, including films, tapes, photographs, recordings or variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard or any of the Scientology organizations;
- b. Defendant is restrained from violating the provisions of Paragraph 7(g) which prohibits Defendant from voluntarily assisting or cooperating with any person adverse to Scientology in any proceeding against any of the Scientology organisations, or from cooperating in any manner with any organizations aligned against Scientology;
- of Paragraph 7(h) which prohibits Defendant from testifying or participating in judicial or administrative proceedings adverse to Scientology or any of the Scientology organizations unless compelled to do so by subpoena or lawful process;

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Defendant is restrained from violating the provisions

- of Paragraph 10, which prohibits Defendant from assisting or advising anyone, including individuals, partnerships, associations, corporations, or governmental entities contemplating any claim or engaged in litigation or involved in or contemplating any activity adverse to the interests of any of the Scientology organizations;

  e. Defendant is restrained from violating the provisions
- e. Defendant is restrained from violating the provisions of Paragraph 18(d), which prohibits Defendant from disclosing the contents of the Agreement;
- Armstrong from working in the employ of, or as an independent contractor for, Ford Greene on matters not involving the Church of Scientology International or any of the Scientology organizations.

  MICHAEL B. DUFFICY

JUDGE OF THE SUPERIOR COURT

Approved as to form:

Ford Greene, Esq. Attorney for Defendant Garald Armstrong

#### PROOF OF SERVICE

STATE (	OF	CALI	FORNIA	)	
				)	SS
COUNTY	OF	LOS	ANGELES	)	

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 6255 Sunset Boulevard, Suite 2000, Hollywood, CA 90028.

On April 13, 1992 I caused to be served the foregoing document described as RENEWED NOTICE OF MOTION AND MOTION FOR PRELIMINARY INJUNCTION on defendants in this action,

- [ ] by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;
- [X] by placing [ ] the original [X] a true copy
  thereof in a sealed envelope addressed as follows:

Lewis, D'Amato, Brisbois & Bisgaard HAND SERVED 221 North Figueroa Street Suite 1200 Los Angeles, CA 90012

Ford Greene HAND SERVED 711 Sir Francis Drake Blvd. San Anselmo, CA 94960-1949

#### | BY MAIL

- [ ] \*I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.
- [] As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing an

affidavit.

- Executed on April 13, 1992, at Los Angeles, California.
  - [X] \*\*(BY PERSONAL SERVICE) I delivered such envelopes by hand to the offices of the addressees.
- Executed on April 13, 1992, at Los Angeles, California.
  - [X] (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.
  - [ ] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Signature

- \* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)
- \*\* (For personal service signature must be that of messenger)

HUB LAW OFFICES
Ford Greene, Esquire
California State Bar No. 107601
711 Sir Francis Drake Boulevard
San Anselmo, California 94960-1949
Telephone: (415) 258-0360

Attorney for Defendant GERALD ARMSTRONG

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

CHURCH OF SCIENTOLOGY
INTERNATIONAL, a California
not-for-profit religious
corporation;

No. BC 052 395 (Marin County Superior Court Case No. 152 229)

Plaintiffs,

NOTICE OF IMPROPER FILING OR, IN THE ALTERNATIVE, OF RELATED CASE PURSUANT TO LOS ANGELES SUPERIOR COURT LOCAL RULE 1103

GERALD ARMSTRONG; DOES 1 through 25, inclusive,

Date: Discretionary Time: Discretionary

Defendants.

Dept: One

Berendance.

No Trial Date
No Discovery Cut Off
No Motions Cut Off

TO ALL INTERESTED PARTIES AND TO THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that defendant GERALD ARMSTRONG hereby submits the following notice of improper filing, 1/ or in the

UB LAW OFFICES and Greene, Esquire Sir Passesis Drains Blvd. Annaisse, CA 94960 (415) 258-0560

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Based upon the points raised below, defendant Gerald Armstrong's position is that if this case had been originally been filed in this Court, it would have been the proper subject of Local Rule 1103.4. Instead, it was filed in the Marin County Superior Court, which now has ordered the matter transferred to this court. Therefore, under the circumstances and as applied, the filing of the case in the County of Marin which has now been transferred to Los Angeles Superior Court, is the proper subject of Local Rule 1103.4.

alternative, of related case.

This notice is submitted pursuant to Local Rules 1103, et seq. on the grounds (1) that the lawsuit arises from the same or substantially identical transactions, happenings or events; and (2) that the identical factual and legal issues in this case were previously brought before Department 56, the Honorable Bruce R. Geernaert on December 23, 1991, in Los Angeles Superior Court Case No. 420 153; and (3) that this lawsuit is predicated upon the settlement of Los Angeles Superior Court Case No. 420 153 and would require another judge to duplicate the work already performed by Judge Geernaert in Los Angeles Superior Court Case No. 420 153.

This notice is predicated upon this notice, the attached declaration of Ford Greene, the attached memorandum of points and authorities, the court's file in this case and in Los Angeles Superior Court Case No. 420 153, and upon such further facts and authorities presented in supplement to this notice.

Respectfully submitted:

April 17, 1992 DATED:

HUB LAW OFFICES

FORD GREENE

Attorney for Defendant GERALD ARMSTRONG

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NOTICE OF DEPROPER FILING, OR OF RELATED CASE

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#### DECLARATION OF FORD GREENE

#### FORD GREENE declares:

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- 1. I am an attorney licensed to practice law in the Courts of the State of California and am the attorney of record for Gerald Armstrong, defendant herein.
- 2. Attached hereto and incorporated herein as Exhibit A is a true and correct copy of a document entitled Mutual Release of All Claims and Settlement Agreement.
- 3. Attached hereto and incorporated herein as Exhibit B is a true and correct copy of a document entitled "Notice Of Motion And Motion To Enforce Settlement Agreement; For Liquidated Damages And To Enjoin Future Violations" filed on October 3, 1991, in Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153.
- 4. Attached hereto and incorporated herein as Exhibit C is a true and correct copy of a document entitled Reporter's Transcript of Proceedings, Monday, December 23, 1991, Hon. Bruce R. Geernaert, Judge, in Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153.
- 5. Attached hereto and incorporated herein as Exhibit D is a true and correct copy of a document entitled "Notice of Motion and Motion For Preliminary Injunction; Memorandum Of Points And Authorities; Declarations Of Lawrence E. Heller, Laurie J. Bartilson and Lynn R. Farny In Support Thereof" filed in Church of Scientology International y. Armstrong, Marin County Superior Court, Case No. 152 229.
- 6. On March 20, 1992, Judge Michael Dufficy ordered the transfer of Church of Scientology International v. Armstrong,

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Marin County Superior Court, Case No. 152 229 to this Court Which has been given the case number of this matter, BC 052 395.

7. Attached hereto as Exhibit E is a true and correct copy of the docket sheet from the County of Marin upon the transfer of the case to this Court.

Under penalty of perjury pursuant to the laws of the State of California I hereby declare that the foregoing is true and correct according to my first-hand knowledge, except those matters stated to be on information and belief, and as to those matters, I believe them to be true.

Executed on April 17, 1992, at San Ansolmo, California

FORD GREENE

#### MEMORANDUM OF POINTS AND AUTHORITIES

#### I. <u>INTRODUCTION</u>

This case comes before this Court in consequence of an Order that it be transferred to this Court that Judge Michael Dufficy, Department 4 of the Marin County Superior Court, issued on March 20, 1992, in Case No. 152 229 ("Armstrong II").

The genesis of the case at bar lies in the settlement of an action in this court.

Due to the familiarity of Judge Bruce R. Geernaert with the provisions of the settlement agreement which plaintiff seeks to enforce herein, said plaintiff has attempted to forum-shop its way out of Judge Geernaert's court by filing the case in Marin County

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Superior Court. Now, that Marin County Superior Court has ordered the case transferred to this Court, the matter should be assigned to Judge Geernaert for all purposes.

# II. THIS CASE SHOULD BE ASSIGNED TO DEPARTMENT 56

A. This Case Arises From The Same Or Substantially Identical Transactions, Rappenings Or Events

This case is based upon a transaction manifested in a document entitled "Mutual Release Of All Claims And Settlement Agreement" (Exhibit A) executed December 6, 1986, which resolved the Cross-Complaint of Gerald Armstrong, defendant herein, in the action styled Church of Scientology of California v. Armstrong, Los Angeles Superior Court, Case No. 420 153 ("Armstrong I") which had been assigned to the Honorable Paul G. Breckenridge, Jr. in Department 57. 2/

Armstrong II is based upon Scientology's effort to enforce the same provisions of the settlement agreement as it previously sought to enforce in Armstrong I. '/ In addition, the alleged breaches by defendant of said settlement agreement are the same in both cases. '/

Finally, Scientology has alleged factual matters which transpired in 1984 and were a part of Armstrong's cross-complaint in Armstrong I. Exhibit D, at p. 5:6-6:22. This subject matter

Judge Geernaert stated "I was presented with Judge Breckenridge's function, since he retired." (Reporter's Transcript of Proceedings, Monday, December 23, 1991, at p. 10:24-25; Exhibit C.)

Compare and contrast Exhibit B at pp. 4:7-5:38 with Exhibit D at p. 4:15-28.

Compare and contrast Exhibit B at pp, 6:10-11:17 and Exhibit D at pp. 7:1-10:12.

falls directly within the scope of provisions of Paragraph 7-I of 1 the settlement agreement that Scientology now seeks to enforce. 2 3 4 5 6 7 8 9 10 11 12 13 14 15

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Exhibit A, at ¶ 7-I, p. 11. Therefore, in order to determine whether or not Scientology should be estopped from seeking to enforce certain provisions of the settlement agreement on one hand, while violating other portions of the agreement on the other, reference will have to be made to the file in Armstrong I. This Case Calls For The Determination Of The Same Or Substantially Identical Questions Of Law and Fact

Substantially identical issues of law and fact were considered by Department 56, the Honorable Bruce R. Geernaert presiding, during the course of an extended proceeding held on December 23, 1992, in Armstrong I as are now presented in Armstrong II.

On October 3, 1991, Judge Breckenridge having retired, in Armstrong I Scientology filed its "Notice Of Motion And Motion To Enforce Settlement Agreement; For Liquidated Damages And To Enjoin Future Violations" ("Motion to Enforce"; Exhibit B) in Department 56, the Honorable Bruce R. Geernaert presiding.

On December 23, 1991, Judge Geernaert denied Scientology's Motion to Enforce because the settlement agreement had never been reduced to an order or judgment, Exhibit C at 63:22-65:4, therefore the court lacked subject matter jurisdiction to enforce the settlement agreement.

Notwithstanding the fact that Judge Geernaert found that he did not have subject matter jurisdiction to enforce the settlement agreement because it had never been reduced to judgment or incorporated in an order, he maintained jurisdiction to interpret the settlement agreement. Said reservation of jurisdiction has been predicated upon the express terms of the settlement agreement.

On or about February 8, 1992, when this case was still in the Superior Court of the County of Marin (before it was transferred to this Court and given its instant case number), Scientology filed its "Notice of Motion and Motion For Preliminary Injunction; Memorandum Of Points And Authorities; Declarations Of Lawrence E. Heller, Laurie J. Bartilson and Lynn R. Farny In Support Thereof."

("Motion for Preliminary Injunction" Exhibit D).

The factual basis for the Motion to Enforce in Armstrong I that Judge Geernaert denied on December 23, 1991, is identical to the factual basis for the Motion for Preliminary Injunction in Armstrong II. <sup>5</sup>/ The relief sought in both cases, an injunction, is identical. <sup>7</sup>/

Although the mechanism for the relief sought in Armstrong I
was predicated upon Code of Civil Procedure sections 664.6 and 128

(4), Exhibit B at pp. 11:22-12:3; Exhibit C at p. 18:15-19:14,
and the relief sought in Armstrong II is by means of an

Paragraph 20 of the settlement agreement states in full:

Notwithstanding the dismissal of the lawsuit pursuant to Paragraph 4 of this Agreement, the parties hereto agree that the Los Angeles Superior Court shall retain jurisdiction to enforce the terms of this Agreement. This Agreement may be enforced by any legal or equitable remedy, including but not limited to injunctive relief or declaratory judgment where appropriate. In the event that any party to this Agreement institutes any action to preserve, to protect or to enforce any right or benefit created hereunder, the prevailing party in any such action shall be entitled to the costs of suit and reasonable attorney's fees.

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<sup>6</sup> Compare and contrast Exhibit B at pp. 6:9-11:17 and Exhibit d at pp. 7:1-13:2.

Compare and contrast Exhibit B at p. 15:7-8 with Exhibit D at p. 20:18-19.

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injunction, Exhibit D, both require an interpretation of the provisions set forth in the settlement agreement as well as an inquiry into the factual context within which the settlement agreement was executed.

C. Assignment Of The Case To A Department Other Than Department 56 Is Likely To Entail Substantial Duplication Of Labor, And Thus Result In A Waste Of Judicial Resources And Tax-Payers' Money

In considering Scientology's Motion to Enforce filed in Armstrong I, Judge Geernaert developed a familiarity with the issues underlying Scientology's Motion to Enforce. <sup>8</sup>/ The issues underlying the Motion to Enforce and the Motion for Preliminary Injunction are substantially identical: both address the question of the enforceability of the settlement agreement. Judge Geernaert expressed his familiarity with the underlying issues during the course of the December 23, 1991, hearing on the Motion to Enforce. He said,

And that involves all of the issues that are involved when injunctions are to be issued, including the circumstances involved in entering into the agreement, the equitable concept of unclean hands, and the public policy concerning any of the provisions sought to be enforced. These are all argued in your papers. But I think that you are all assuming that I know more than I really do know from an evidentiary standpoint.

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At the inception of the December 23, 1991, hearing, Judge Geernaert stated: "All right. Now, I think it might be helpful, having read through this, I think -- what I would like to do is make a general statement that relates to both of these motions and relates to this case and the status of it at this time." Exhibit C at p. 2:11-15.

Judge Geernaert has developed an in depth familiarity with Armstrong I commencing in 1988. That case is the subject of a July 29, 1991, published opinion entitled Church of Scientology of California v. Armstrong (1991) 232 Cal.App.3d 1060. Judge Geernaert indicated his familiarity with the Second District's Armstrong opinion. Exhibit C, at 6:6-14.

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So my tentative ruling is to set this for an evidentiary hearing and determine this on its merits.

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I really can't determine it from the arguments submitted so far.

And, third, helping Ford Greene as a paralegal, which is, evidentally, still going on in connection with the services that Mr. Greene is providing to plaintiff Aznaran.

And, fourth, the declaration of August 26, 1991 of Armstrong for Aznaran.

Those are breaches of the language of the agreement which is very broad and unclear in some respects and specifically when you are trying to enforce it by way of this kind of provision.

But to read the whole agreement, you come up with a wonderment as to what was mutual about it; in other words, it starts out by saying, "This Mutual Release Of All Claims . . . " but all the releases are by Armstrong.

And you also wonder to what extent offering assistance is a term that in effect would be, if ordered -- would be a term that any court would put in its order.

Exhibit C at pp. 11:19-12:28.

And that is that the agreement as worded is all one-sided. It only restrains Mr. Armstrong and which there is nothing immoral about it if people agree to it, but it restrained him in ways that are uncertain, unclear because, for example, he had agreed to refrain from, quote, making himself -- I am not sure it is a quote, something like making himself available to service of legal process.

Now, as they point out, does that mean -- they don't quite put it this way, but I'll put it this way -does that mean that if I were to issue an injunction, then we could have a contempt hearing if he was at a restaurant and the process server came in and he didn't jump up and run away?

It is a concept I feel uncomfortable putting into an order, even though the parties put it into their agreement. \_\_\_\_\_\_

So that is the first step.

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But there is another part to it. And that is that it being so unclear and being so ambiguous and being so one-sided, he argues that it gives support to his argument that it was entered into for the reasons he says that were anything other than voluntary.

And he says there were a lot of people that also wanted to enter the agreement.

His lawyer represented all the people. If he hadn't signed the agreement, he really had no alternative because the lawyer was getting out either way. There was a suggestion that nobody in their right mind would enter into an agreement like this except under some kind of duress.

Exhibit C at pp.22:3-23:4.

Based upon the fact that the genesis of Armstrong II lies in the settlement of Armstrong I, based upon the volume of documents already filed in this matter, see Docket Sheet - Exhibit E, and based upon the fact that Judge Geernaert has a preexisting familiarity with the facts, issues, and law underlying this case, it is in the interests of judicial economy for the file in this case to be assigned for all purposes to Judge Geernaert.

#### III. CONCLUSION

Based upon the foregoing points, Defendant Gerald Armstrong respectfully submits this case should be assigned to the Honorable Bruce R. Geernaert, Department 56, for all purposes.

DATED: April 17, 1992

HUB LAW OFFICES

FORD GREENE

Attorney for Defendant

GERALD ARMSTRONG

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#### PROOF OF SERVICE

I am employed in the County of Marin, State of California. I 2 3 am over the age of eighteen years and am not a party to the above entitled action. My business address is 711 Sir Francis Drake 4 5 Boulevard, San Anselmo, California. I served the following 6 documents: NOTICE OF IMPROPER FILING OR, IN THE ALTERNATIVE, OF RELATED CASE PURSUANT TO LOS ANGELES SUPERIOR 7 COURT LOCAL RULE 1103 8 on the following person(s) on the date set forth below, by placing 9 a true copy thereof enclosed in a sealed envelope with postage 10 thereon fully prepaid to be placed in the United States Mail at San Anselmo, California: 11 Andrew H. Wilson 12 Also By Fax WILSON, RYAN & CAMPILONGO Without Exhibits 13 235 Montgomery Street, Suite 450 San Francisco, California 94104 14 Graham E. Berry, Esquire Also By Fax LEWIS, D'AMATO, BRISBOIS & BISGAARD Without Exhibits 15 221 North Figueroa Street. Suite 1200 Los Angeles, California 90012 16 | 17 PAUL MORANTZ Also By Fax Attorney at Law Without Exhibits 18 | P.O. Box 511 Pacific Palisades, California 90272 19 LAURIE J. BARTILSON, ESQ. Also By Fax 20 Bowles & Moxon Without Exhibits 21 6255 Sunset Boulevard, Suite 2000 Los Angeles, California 90028 22 [X] (By Mail) I caused such envelope with postage thereon 23 fully prepaid to be placed in the United States Mail at San Anselmo, California. 24 (Personal I caused such envelope to be delivered by hand 25 Service) to the offices of the addressee. 26 [X](State) I declare under penalty of perjury under the laws of the State of California that the above 27 is true and correct. 111

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DATED:

April 18, 1992

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Exhibit C

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